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MINUTES OF THE REGULAR COMMISSION MEETING OF THE MICHIGAN PUBLIC SERVICE COMMISSION HELD IN ITS OFFICES ON JULY 1, 2010

Commission Chairman Orjiakor N. Isiogu called the meeting to order at 1:30 p.m.  
Executive Secretary Mary Jo Kunkle called the roll and declared there was a quorum.

**PRESENT**

Commission: Orjiakor N. Isiogu, Chairman  
Monica Martinez, Commissioner  
Greg R. White, Commissioner

Staff: T. Blair Renfro  
Judy Palnau  
Mary Jo Kunkle  
Catherine Bowers  
Nick Revere

Public: Ronald W. Bloomberg, Miller Canfield  
David E.S. Marvin, Fraser Trebilcock  
Rick Aaron, Fahey Schultz  
Suzy Denison, MEGA  
Bob Stewart, Frontier Communications  
Ronan Patterson, WEPCO  
Lisa Gustafson, Consumers Energy  
B. Roberts, Consumers Energy  
Marilyn Oliver, DTE Energy  
Harvey Messing, Miller Canfield  
Kwafo Adarkwa, ITC Holdings

Chairman Isiogu welcomed a delegation of esteemed regulators and electric utility industry officials from the Federal Republic of Nigeria. The Nigerian Electricity Regulatory Commission and the Michigan Public Service Commission have entered into a partnership for the exchange of experience and information. A delegation is visiting Michigan to further this partnership.

I. Commissioner Martinez moved to approve today's agenda, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The agenda was approved.

- II.** Commissioner Martinez moved to approve the minutes of the Regular Commission Meeting of June 24, 2010, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The minutes were approved.

**III. ORDERS**

**A. COMMUNICATIONS**

1. U-15966 VIRGIN MOBILE USA, L.P.  
(rehearing)

Commissioner Martinez moved that the Commission adopt and issue order dated July 1, 2010 which involves Virgin Mobile USA, L.P.'s application for designation as an eligible telecommunications carrier. The order before you denies petitions for rehearing filed by TracFone Wireless, Inc., Capital Area Community Services, Inc., and Advocates for Universal Access, LLC, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

2. MINUTE VERIZON NORTH INC. AND VERIZON NORTH SYSTEMS  
ACTION (Case No. U-14000 wireless emergency service costs)

Commissioner Martinez moved that the Commission adopt and issue minute dated July 1, 2010 finding that the attached Verizon Invoice Nos. M19NZMTS911 and M19NGMTS911 for the period of March 1, 2010 to May 31, 2010, are for wireless emergency service costs recoverable under 2007 PA 165, MCL 484.1408(4) (b), and consistent with the Commission's order dated June 29, 2004 in Case No. U-14000. The Commission approves the attached invoices in the amount of \$168,485.61 for reimbursement by the Michigan Department of Treasury, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The minute was adopted.

**B. ELECTRIC**

1. U-15417-R THE DETROIT EDISON COMPANY  
(’08 PSCR reconciliation)

Commissioner Martinez moved that the Commission adopt and issue order dated July 1, 2010 which involves the application of The Detroit Edison Company for reconciliation of its power supply cost recovery revenues and expenses for the 12-month period ending December 31, 2008 and to reconcile its pension equalization mechanism for the 12-month period ending December 31, 2008. The order before you grants the application as modified, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

2. U-15981 WISCONSIN ELECTRIC POWER COMPANY  
(rate case)

Commissioner Martinez moved that the Commission adopt and issue order dated July 1, 2010 which involves a request by Wisconsin Electric Power Company to increase its rates for the sale and distribution of electric energy and other relief. The order before you authorizes the company to implement a rate increase of \$23,264,513 over the rates authorized for Wisconsin Electric Power Company in the November 13, 2008 rate case order, or \$11,264,513 above the increase that the company self-implemented on February 2, 2010, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

3. U-16318 UPPER PENINSULA POWER COMPANY  
(revised EO plan)

Commissioner Martinez moved that the Commission adopt and issue order dated July 1, 2010 which involves an application by Upper

Peninsula Power Company to reconcile its energy optimization plan costs and revenues for the six-month period ended December 31, 2009. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

4. U-16368 WISCONSIN ELECTRIC POWER COMPANY  
(EO reconciliation)

Commissioner Martinez moved that the Commission adopt and issue order dated July 1, 2010 which involves an application by Wisconsin Electric Power Company to reconcile its energy optimization plan costs and revenues for the period ended December 2009, requests approval of the calculation of 2011 energy optimization payments based upon 2009 actual revenues, and revise its energy optimization surcharges. The order before you approves a settlement agreement resolving all issues in the case, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

**C. GAS**

1. U-15766 MICHCON GATHERING COMPANY v HIGHMOUNT MIDWEST  
ENERGY LLC AND HIGHMOUNT EXPLORATION &  
PRODUCTION MICHIGAN LLC  
(rehearing)

Commissioner Martinez moved that the Commission adopt and issue order dated July 1, 2010 which involves a complaint filed by MichCon Gathering Company for determinations related to alleged lost gas treatment fees and an application to refuse transportation of gas. The order before you grants the petition for rehearing filed by MichCon Gathering Company and clarifies the Commission's April 13, 2010 order, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

2. U-15990 MICHIGAN GAS UTILITIES CORPORATION  
(rate case)

Commissioner Martinez moved that the Commission adopt and issue order dated July 1, 2010 which involves an application to increase natural gas utility rates. The order before you approves a revenue decoupling mechanism, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

3. U-16295 COMMISSION’S OWN MOTION  
(gas safety rulemaking)

Commissioner Martinez moved that the Commission adopt and issue order dated July 1, 2010 which involves the revision of Commission rules governing gas pipeline safety. The order before you approves the revised rules for submission to the Legislative Service Bureau and the State Office of Administrative Hearings and Rules for their formal approvals, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

4. U-16388 COMMISSION’S OWN MOTION  
(show cause)

Commissioner Martinez moved that the Commission adopt and issue order dated July 1, 2010 which is an investigation into whether Continental Resources, Inc., is in violation of 1929 PA 9, MCL 483.101 *et seq.* or 1965 PA 165, MCL 483.151 *et seq.* The order before you directs Continental Resources, Inc., to show cause why it should not be found in violation of these statutes and orders the company to cease and desist construction of a pipeline in Hillsdale and Jackson Counties, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The order was adopted.

**PRESS RELEASE ISSUED**

**IV. PUBLIC COMMENTS**

There were no public comments.

Chairman Isiogu announced that a press release was issued today reminding homeowners that the Federal Energy Efficiency Tax Credits expire in six months. He also encouraged homeowners to take advantage of them.

Chairman Isiogu announced that the next regularly scheduled Commission Meeting will be held on July 13, 2010.

Commissioner Martinez moved that the Commission adjourn, Commissioner White seconded.

Vote: Yeas – Isiogu, Martinez, White  
Nays – None

The motion was approved.

The meeting adjourned at 1:42 p.m.

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Mary Jo Kunkle  
Executive Secretary